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Hui Kuan Hoe v Societe Des Produits Nestle SA

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COURT OF APPEAL (PUTRAJAYA) — CIVIL APPEAL NO W-02–3255 OF 2010
LOW HOP BING, MOHD HISHAMUDIN AND LINTON ALBERT JJCA
27 MARCH 2012

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Trade Marks — Application for registration — Opposition — Decision of registrar and High Court to refuse registration — Appeal against — Whether appellants' trademark was identical to or closely resembled respondent's trademark — Whether issue of confusion or deception arose — Whether doctrine of imperfect recollection operated against appellant — Trade Marks Act 1976 ss 14(1)(a) & 19

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The respondent was the registered proprietor of the trademark Nido for milk and milk based products and had been using this trademark in Malaysia since 2002. On 5 June 2003, the appellant filed its application to register the trademark LotteNidoo for its brand of milk and milk based products. The respondent filed an opposition to the appellant's application and the Registrar of Trade Marks ('the registrar') allowed the respondent's opposition. When the appellant's application was refused it appealed to the High Court. However, the High Court had agreed with the registrar's refusal to register the appellant's trademark. The High Court found, inter alia, that because the respondent's trademark Nido was wholly transposed into LotteNidoo there was a possibility that consumers would be deceived into equating Nido with LotteNidoo. The High Court judge thus held that the registration of the LotteNidoo trademark contravened ss 14(1)(a), 19 and 25(1) of the Trade Marks Act 1976 ('the Act'). This was the appellant's appeal against the decision of the High Court.

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Held, allowing the appeal with costs:

(1) (**Linton Albert JCA**) The similarities between the appellant's trademark and the respondent's pre-existing trademark were not likely to deceive or cause confusion. In fact, the only similarity that was patently tenuous was the transposition of the respondent's trademark Nido to six other alphabets to form LotteNidoo. This court was of the view that this transposition was not likely to deceive or cause confusion to the public and that the High Court judge was clearly wrong to magnify the prominence of Nido. In the circumstances there was a misapplication of the facts by the High Court judge (see para 4).

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(2) (**Linton Albert JCA**) It was also the decision of this court that the doctrine of imperfect recollection had not operated against the appellant. It followed that the High Court judge had misapplied the doctrine when

he equated LotteNidoo to Nido simply on the possibility that some consumers who had a recollection of Nido would be so deceived or confused to accept LotteNidoo as one and the same. In the circumstances the High Court judge was clearly wrong in upholding the decision of the registrar in refusing to register the appellant's trademark (see para 2).

(3) (**Low Hop Bing JCA, dissenting**) The appellant who had the burden of proving that the registration of the LotteNidoo trademark was not likely to deceive or cause confusion to the general public, had not discharged the legal onus placed on it. When the elements of the appellant's LotteNidoo mark were taken as a whole, it was clear that the appellants' trademark so nearly resembled the respondent's Nido trademark that it was likely to deceive or confuse the consumer. There was a need to protect the public from possible deception or confusion arising from the appellant's use of LotteNidoo including any likelihood of deception or confusion in the future arising from such use. In the circumstances the High Court judge was correct in his findings and his decision did not warrant any interference. Further, the High Court judge should not interfere with the registrar's decision in allowing the opposition unless the registrar had gone clearly wrong, which was not the case in the instant appeal (see paras 16, 34–35 & 39).

[Bahasa Malaysia summary

Responden adalah pemilik berdaftar tanda dagang Nido untuk susu dan produk berasaskan susu dan telah menggunakan tanda dagang ini di Malaysia sejak tahun 2002. Pada 5 Jun 2003, perayu telah memfailkan permohonannya untuk mendaftar tanda dagang LotteNidoo untuk jenama susu dan produk berasaskan susunya. Responden telah memfailkan bantahan terhadap permohonan perayu dan Pendaftar Tanda Dagang ('pendaftar') telah membenarkan bantahan responden. Apabila permohonan perayu ditolak ia telah merayu ke Mahkamah Tinggi. Walau bagaimanapun, Mahkamah Tinggi bersetuju dengan penolakan pendaftar untuk mendaftar tanda dagang perayu. Mahkamah Tinggi mendapati, antara lain, oleh kerana tanda dagang Nido telah diubah keseluruhannya kepada LotteNidoo terdapat kebarangkalian yang pelanggan akan terkeliru menyamakan Nido dengan LotteNidoo. Hakim Mahkamah Tinggi dengan itu memutuskan bahawa pendaftaran tanda dagang LotteNidoo adalah bertentangan dengan ss 14(1)(a), 19 dan 25(1) Akta Cap Dagang 1976 ('Akta tersebut'). Ini adalah rayuan perayu terhadap keputusan Mahkamah Tinggi.

Diputuskan, membenarkan rayuan dengan kos:

(1) (**Linton Albert HMR**) Persamaan antara tanda dagang perayu dan tanda dagang responden sebelum wujud tidak mungkin mengelirukan atau menyebabkan kekeliruan. Bahkan, satu-satunya persamaan yang jelas adalah pengubahan tanda dagang Nido kepada enam abjad lagi untuk

membentuk LotteNidoo. Mahkamah ini berpendapat bahawa pengubahan ini tidak mungkin mengelirukan atau menyebabkan kekeliruan kepada orang awam dan bahawa hakim Mahkamah Tinggi jelas memperbesarkan kewujudan Nido. Dalam keadaan berikut hakim Mahkamah Tinggi telah tersilap menggunakan fakta (lihat perenggan 4).

(2) (**Linton Albert HMR**) Adalah juga keputusan mahkamah ini bahawa doktrin ingatan semula tidak beroperasi terhadap perayu. Adalah diikuti bahawa hakim Mahkamah Tinggi tersilap menggunakan doktrin ini apabila menyamakan LotteNidoo dengan Nido hanya berdasarkan kebarangkalian bahawa beberapa pelanggan mempunyai ingatan tentang Nido akan tertipu atau terkeliru menerima LotteNidoo sebagai yang sama. Dalam keadaan berikut hakim Mahkamah Tinggi terkhilaf dalam mengekalkan keputusan pendaftar yang enggan mendaftar tanda dagang perayu (lihat perenggan 2).

(3) (**Low Hop Bing HMR, menentang**) Perayu yang mempunyai beban bukti bahawa pendaftaran tanda dagang LotteNidoo tidak mungkin menipu atau menyebabkan kekeliruan kepada orang awam, tidak melepaskan beban dari segi undang-undang yang terletak padanya. Apabila elemen-elemen tanda LoteeNidoo perayu diambil secara keseluruhan, adalah jelas bahawa tanda dagang perayu hampir menyerupai tanda dagang Nido responden yang ia mungkin menipu atau mengelirukan pelanggan. Perlu ada perlindungan daripada kemungkinan penipuan atau kekeliruan yang timbul daripada penggunaan LotteNidoo termasuklah apa-apa kebarangkalian penipuan atau kekeliruan yang timbul daripada penggunaan tersebut. Dalam keadaan berikut hakim Mahkamah Tinggi betul dalam penemuan beliau dan keputusan beliau tidak mewajarkan apa-apa campur tangan. Bahkan, hakim Mahkamah Tinggi tidak patut campur tangan dengan keputusan pendaftar yang membenarkan bantahan itu kecuali pendaftar jelas salah, yang mana tidak begitu dalam rayuan ini (lihat perenggan 16, 34–35 & 39).]

Notes

For cases on opposition, see 12 *Mallal's Digest* (4th Ed, 2011 Reissue) paras 2202–2222.

Cases referred to

Australian Woollen Mills Ltd v FS Walton & Co Ltd (1937) 58 CLR 641, HC (refd)

'Bali' Trade Mark [1969] RPC 472, HL (refd)

Banham v Reddaway [1927] AC 406, HL (refd)

Bata Ltd v Sim Ah Ba @ Sim Teng Khor & Ors (trading as Kheng Aik Trading) [2006] 6 MLJ 445, CA (refd)

De Cordova v Vick Chemical Co (1951) 68 RPC 103, PC (refd)

James Crossley Eno v William George Dunn (1890) 15 App Cas 252, HL (refd)
Jellinek's Application, Re (1946) 63 RPC 59, Ch D (refd)
Lovens Kemiske Fabrik Ved A Konsted's Application for Registration of Trade Mark 'Leocillin', Re [1953] MLJ 215 (refd)
Pianotist Co's Application, Re (1906) 23 RPC 774, Ch D (refd)
Solavoid Trade Mark [1977] RPC 1 (trefd)
Tiga Gajah Cho Heng Sdn Bhd v Majuperak Tepung Beras Sdn Bhd [1997] 4 MLJ 504, HC (refd)

Legislation referred to

Trade Marks Act 1938 [UK] s 11
Trade Marks Act 1976 ss 14, 14(1)(a), 19, (1), (1)(a), (1)(b), 25(1), 25(3), 38(1)

Appeal from: Originating Motion No D–25(IP)–4 of 2010 (High Court, Kuala Lumpur)

Ambiga Sreenevasan (Janini Rajeswaran and AK Ng with her) (Sreenevasan) for the appellant.
Linda Wang (Tepee Phuah with her) (Tay & Partners) for the respondent.

Linton Albert JCA (delivering majority judgment of the court):

[1] The appellant had applied to the Registrar of Trade Marks, Malaysia ('the registrar') to register 'LotteNidoo' as a trademark. The respondent, as proprietor of the trade mark 'Nido' had opposed the appellant's application. The registrar refused the appellant's application and the ensuing appeal to the High Court was also dismissed. The learned High Court judge had agreed with the registrar's refusal to register the appellant's trademark pursuant to ss 14(1)(a), 19(1) and 25(1) of the Trade Marks Act 1976 ('the Act').

[2] The refusal to register the appellant's application was grounded on the salient features surrounding 'LotteNidoo' and 'Nido' which were these. They both refer to goods of the same description which was milk and milk based products for human consumption and targeted at the same class of consumers. The respondent had used its 'Nido' trademark in Malaysia since 2002, which was much earlier than the appellant's use of 'LotteNidoo'. The doctrine of imperfect recollection operated against the appellant because consumers could possibly fail to differentiate between 'LotteNidoo' and 'Nido' and thus likely to cause confusion. This was because the respondent's trademark 'Nido' was wholly transposed into 'LotteNidoo' thus giving rise to the possibility that consumers may be deceived into equating 'Nido' with 'LotteNido'. Having set out the circumstances as aforesaid, the learned High Court judge made a

finding that the appellant's application had fallen afoul of ss 19 and 14 of the Act and that the registrar had rightly refused the appellant's application pursuant to s 25(3) of the Act.

[3] The relevant provisions of the Act pursuant to which the appellant's application was refused are these:

> Section 14:
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> (1) A mark or part of a mark shall not be registered as a trade mark —
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> (a) If the use of which is likely to deceive or cause confusion to the public or would be contrary to law;
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> and
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> Section 19:
>
> (1) No trade mark shall be registered in respect of any goods or description of goods —
>
> (a) …
>
> (b) that so nearly resembles such a trade mark as is likely to deceive or cause confusion.
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> Section 25:
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> (3) Subject to the provisions of this Act, the Register may refuse the application or may accept it absolutely or subject ot such conditions, amendments, modifications or limitations, if any, as he may think right to impose.

[4] Similarities between the appellant's trademark and the respondent's pre-existing trademark do not necessarily mean that they are likely to deceive or cause confusion. In the instant appeal, the only similarity is patently tenuous in that it merely consists of the transposition of the respondent's trademark 'Nido' to six other alphabets to form 'LotteNidoo' which the appellant unsuccessfully applied to register. It is inconceivable, in our view, that simply because 'Nido' has been transposed to form 'LotteNidoo' it is likely to deceive or cause confusion. The learned High Court judge was clearly wrong to magnify the prominence of 'Nido' in isolation while at the same time totally disregarding the other alphabets which make up 'LotteNidoo'. There was, therefore, a misapplication of the facts on the part of the learned High Court judge. It also follows that the doctrine of imperfect recollection was misapplied when 'LotteNido' was equated with 'Nido' simply on the possibility that some consumers who have a recollection of 'Nido' may be so deceived or confused to accept 'LotteNidoo' as one and the same. That would constitute stretching the doctrine to its illogical limits.

[5] In the circumstances and for the reasons aforesaid, the learned High

Court judge was clearly wrong in upholding the decision of the registrar in refusing to register the appellant's trademark. We therefore, allowed the appeal with costs.

Low Hop Bing JCA (dissenting):

APPEAL

[6] The Assistant Registrar of Trade Marks ('the registrar') had allowed the respondent's opposition to the registration of the appellant's Trade Mark Application No 03006696 in Class 29 ('the application').

[7] Subsequently, the Kuala Lumpur High Court dismissed the appellant's appeal and affirmed the registrar's decision.

[8] This is the appellant's appeal against the decision of the High Court.

FACTUAL BACKGROUND

[9] The respondent is the registered proprietor of the trademark *Nido* ('Nido') under Registration No 02013983 for goods in Class 29 including, amongst others, milk, cheese and other food preparations having a base of milk and milk substitutes ('the respondent's goods'). The respondent and its associated companies are the first and prior users of Nido in Malaysia since 2002, and outside Malaysia since 1939.

[10] On or about 5 June 2003, the appellant filed the application to register the trademark *LotteNidoo* ('LotteNidoo') for condensed sweetened milk; evaporated filled milk; full cream milk and powder; and skim milk powder ('the appellant's goods'). The appellant's use and adoption of *LotteNidoo* was in 2003.

[11] On 20 January 2006, the respondent filed an opposition to the application ('the opposition').

[12] On 2 June 2010, the registrar allowed the opposition with costs.

[13] On 21 October 2010, the Kuala Lumpur High Court dismissed with costs the appellant's appeal and affirmed the registrar's decision.

[14] The appellant now appeals against the High Court decision.

BURDEN OF PROOF

[15] The appellant, being the applicant for registration, bears the burden of

proving that the registration is not likely to deceive or cause confusion to the general public: """>*Re Lovens Kemiske Fabrik Ved A Konsted's Application for Registration of Trade Mark 'Leocillin'* [1953] MLJ 215, at p 216 per Harrison, Registrar of Trade Marks, applying *James Crossley Eno v William George Dunn* (1890) 15 App Cas 252, at p 257 (HL) per Lord Watson. In other words, the respondent (the opponent allegeing that the applicant's mark bears a deceptive resemblance to his own) does not have to prove that the public would be confused or deceived thereby: *MylPO Manual of Trade Marks Law & Practice in Malaysia*, (2nd Ed), 2003 ('The Trade Marks Manual') Chapter 24, para 24.46.

[16] In the context of this appeal, the appellant has to establish that the registration of *LotteNidoo* does not contravene s 14(1)(a) ie there is no likelihood of confusion or deception; or the use of *LotteNidoo* will not cause a number of persons to wonder whether the respondent's goods and appellant's goods came from the same source. Should the registrar have any doubts, the appellant has to dispel them. Where the appellant has not discharged the legal onus placed on him, the application must be refused: *The Trade Marks Manual para 8.65.*

LOTTENIDOO AND NIDO

[17] In the instant appeal, two trademarks viz (1) the appellant's *LotteNidoo* and (2) the respondent's *Nido* require consideration.

[18] Section 19(1) of the Trade Marks Act 1976 provides as follows:

> 19 Identical trade marks
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> (1) No trade mark shall be registered in respect of any goods or description of goods —
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> (a) that is identical with a *trade mark belonging to a different proprietor and entered in the Register in respect of the same goods* or description of goods or in respect of services that are closely related to those goods; or
>
> (b) that so nearly resembles *such a trade mark* as is likely to deceive or cause confusion. (Emphasis added.)
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> (A reference hereinafter to a section is a reference to that section in the Trade Marks Act 1976)

[19] The words 'such a trade mark' in s 19(1)(b) must be read in the context of s 19(1)(a) and refer to the 'trade mark belonging to a different proprietor and entered in the Register in respect of the same goods or description of goods'.

[20] Section 19(1) prohibits the registration of a trademark that is either identical with a trademark belonging to a different proprietor, or so closely resembles it as to be likely to deceive or cause confusion, where that other trade mark is entered in the register in respect of goods or services of the same description or services that are closely related to those goods as those of the application to register: *The Trade Marks Manual, Chapter 11* under the caption 'The Search for Prior Rights'.

[21] In the instant appeal, registration of *LotteNidoo* will not be allowed if:

(a) *LotteNidoo* is identical with *Nido* or so nearly resembling *Nido* as is likely to deceive or cause confusion; and

(b) the appellant's goods are the same goods or the same description of goods as the respondent's goods.

TEST OF RESEMBLANCE

[22] In *Pianotist Co's Application* (1906) 23 RPC 774, at p 777 Parker J crystallised the test of resemblance as follows:

> You must take the two words. You must judge of them, both by their look and by their sound. You must consider the goods to which they are to be applied. You must consider the nature and kind of customer who would be likely to buy those goods. In fact, you must consider all the surrounding circumstances; and you must further consider what is likely to happen if each of those trade marks is used in the normal way as a trade mark for the goods of the respective owners of the marks. If, considering all those circumstances, you come to the conclusion that there will be a confusion — that is to say, not necessarily that one man will be injured and the other will gain illicit benefit, but that there will be a confusion in the mind of the public which will lead to confusion in the goods — then you may refuse the registration, or rather you must refuse the registration in that case.

[23] In my view, *LotteNidoo* resembles *Nido* and is likely to deceive or cause confusion as *LotteNidoo* incorporates and adopts the essential or distinguishing feature of *Nido*: *The Trade Mark Manual*, Chapter 11, para 11.10

[24] In deciding that *LotteNidoo* has similarity with *Nido* and is likely to deceive or cause confusion, I take the following elements into account:

(a) the idea of the mark;

(b) the elements of the mark taken as a whole;

(c) imperfect recollection;

(d) ear as well as eye; and

(e) variations which might well be supposed to be made by owners.

(*Kerly's Law of Trade Marks and Trade Names* (12th Ed), 1986) at p 439 and applied by Kamalanathan Ratnam JC (later J) in *Tiga Gajah Cho Heng Sdn Bhd v Majuperak Tepung Beras Sdn Bhd* [1997] 4 ML J 504, at p 527 (HC)).

[25] LotteNidoo is remembered by general impressions or by some significant detail rather than by any photographic recollection of the whole: per Lord Radcliffe in *De Cordova v Vick Chemical Co* (1951) 68 RPC 103, at p 106 (PC), and referred to in *Tiga Gajah*, at p 529. This brings into focus the doctrine of imperfect recollection of customers.

[26] The Trade Mark Manual, Chapter 11, para 11.7 illustrates 'Imperfect Reflections' as follows:

> Imperfect Recollection
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> 11.7 Consumers who know two trade marks are not likely to confuse them. It is the ordinary consumer with an ordinary memory, who pays ordinary attention to the details of any trade marks, who knows only one of the marks who is likely to be deceived or confused. Consumers do not recall or remember every detail of the trade marks they know. Consequently they may confuse a similar mark with the one they know even if there are minor differences between them. The principle is known in case law as the doctrine of imperfect recollection and applies equally to word, device and composite marks. Luxmoore LJ discussed this doctrine in *Aristoc v Rysta* (1943) 60 RPC at page 108. He said:
>
> > The answer to the question of whether the sound of one word resembles too nearly the sound of another … must nearly always depend on the first impression, for obviously a person who is familiar with both words will neither be deceived nor confused. It is the person who only knows the one word, and has perhaps an imperfect recollection of it who is likely to be deceived. Little assistance therefore is to be obtained from a meticulous comparison of the two words, letter-by-letter and syllable-by-syllable, pronounced with the clarity to be expected from a teacher of elocution. The Court must be careful to make allowance for imperfect recollection and the effect of careless pronunciation and speech on the part not only of the person seeking to buy under the trade description but also of the shop assistant ministering to that person's wants.

[27] The High Court of Australia has to determine if a mark is so nearly resembling another as is likely to deceive or cause confusion in *Australian Woollen Mills Ltd v FS Walton & Co Ltd* (1937) 58 CLR 641. At p 658, the majority judgment explained that it is a question of fact for the court to decide

whether there is such a reasonable probability of deception or confusion that the use of the new trademark and title should be restrained. The judgment contained the following passage:

> In deciding this question, the marks should not, of course be compared side by side. An attempt should be made to estimate the effect or impression produced on the mind of the potential customers by the mark or device for which the protection of an injunction is sought. Imperfect impression or recollection which is carried away and retained is necessarily the basis for any mistaken belief that the challenged mark or device is the same. The effect of spoken description must be considered. If a mark is in fact or from its nature likely to be the source of some name or verbal description by which buyers will express their desire to have the goods, the similarities both of sound and of meaning may play an important part. The usual manner in which ordinary people behave must be the test of what confusion or deception may be expected.

(See also *Tiga Gajah*, and *De Cordova* (PC)).

[28] Customers' imperfect recollection brings about their inability to recall or remember every detail of the trade marks they know. Consequently, they may confuse or fail to differentiate *LotteNidoo* with the one they know even if there is minor and insignificant disparity among them. In the instant appeal, the leading and essential element and characteristic of the respondent's mark is *Nido*. The recollection carried away and retained of the respondent's mark (and goods) will be *Nido*. A consumer will be left to wonder or wrongly suppose that the appellant's and the respondent's goods come from the same source or are connected or associated or that the appellant's goods are a variation or extension of the respondent's goods. Similarly, such a consumer seeing or coming across *LotteNidoo* and *Nido* will or will likely believe, mistakenly, that the two marks are the same or somehow associated or connected, as is likely to deceive or cause confusion to customers: s 19(1).

[29] By way of illustration, under s 19(1)(b), *LotteNidoo* is prohibited from registration on the following grounds:

(a) *Nido* carries away and retains the *Nido* recollection as the respondent's mark and goods. A consumer seeing or coming across *LotteNidoo* will or will likely believe, mistakenly, that the marks and goods are the same or somehow connected or related to *Nido*;

(b) *Nido* is not of a readily known meaning. It has a high level of inherent distinctiveness. It is easily and readily remembered when seen or heard by members of the trade and public. When they come across *LotteNidoo* which wholly adopts and incorporates Nido, it is very probable and likely that *LotteNidoo* and *Nido* would mistakenly be supposed or believed to be

A the same or to be related or connected or to be a variation or extension of the other, especially when *Nido* and *Nidoo* look and sound almost identical;

(c) registration of *LotteNidoo* creates a *carte blanch*e for the appellant to give
B greater emphasis and prominence to the word *Nidoo* and serves to reinforce the mistaken belief that the appellant's goods and respondent's goods are the same or somehow related or connected by reason of a consumer having recollection carried away and retained of *Nido*; and

C (d) a consumer, though noticing the additional word Lotte nevertheless having the recollection carried away and retained of *Nido*, might well suppose that the word *Lotte* is a variation or extension added to *Nido*.

[30] The registrar and the learned judge had made concurrent findings that
D *LotteNidoo* so nearly resembles *Nido* as is likely to deceive or confuse, and that the appellant has also not discharged the burden of proving that such deception or confusion is unlikely. In the instant appeal, I must consider not only the visual and phonetic differences between *LotteNidoo* and *Nido* but also all the relevant surrounding circumstances, by applying Romer J's dictum in *Jellinek's*
E *Application* (1946) 63 RPC 59, 70, more specifically the following factors:

(a) the nature and composition of the goods;

(b) the respective uses or purposes of the goods; and

F (c) trade channels through which the goods are respectively bought or sold.

[31] Section 14(1)(a) disallows the registration of a mark or part of a mark as a trademark if the use thereof is likely to deceive or cause confusion to the public or would be contrary to law. Section 14(1)(a) is intended to protect the
G public and applies where the use of the opposed mark would likely deceive or cause confusion to the public. An equipollent provision is to be found in s 11 of the (UK) Trade Marks Act 1938. In *Bali Trade Mark* (1969) RPC 472 at p 495 (HL), Lord Upjohn held that s 11 was designed not so much for the protection of other traders in the use of their marks or their reputation but for
H the protection of the public.

[32] The only difference between the two marks is the additional word *Lotte* in *LotteNidoo*. The root word for *Lotte* is the French word *Charlotte*. The internet meaning *Lotte* is little, womanly. The word *Lotte* has little inherent
I distinctiveness when used for the appellant's goods which are milk products and milk powder targeted and largely consumed by babies and little children. The word *Lotte*, which also means 'little' is indicative of and refers to the little babies and children, who are the consumers targeted by both the appellant's *LotteNidoo* goods and respondent's goods.

[33] There is no evidence to show that the appellant has acquired distinctiveness or reputation in and to the word *Lotte* for the appellant's goods as at the filing date of the application. Accordingly, the part of the appellant's mark which is inherently distinctive is the word *Nidoo*. *Nidoo* in turn is almost identical to and a close copy of the respondent's *Nido*.

[34] I fully agree with the registrar and the High Court that the appellant has not discharged the burden and has not shown affirmatively that use of *LotteNidoo* in relation to the appellant's goods is not likely to deceive or cause confusion. It is therefore highly likely that members of the public will wonder or be caused to wonder if the appellant's goods bearing *LotteNidoo* and the respondent's goods bearing *Nido* share the same source of origin or if the appellant's goods are somehow related or connected or are an extension or variation of the respondent's goods.

[35] There is a need to protect the public from possible deception or confusion arising from the appellant's use of *LotteNidoo* including any likelihood of deception or confusion in the future arising from such use.

[36] The learned judge was correct in finding that the appellant's use of *LotteNidoo* would likely deceive or cause confusion to the public and registration prohibited by s 14(1)(a).

[37] The appellant's use of *LotteNidoo* would also infringe the respondent's registered trademark rights, being in contravention of the second limb of s 14(1)(a) read with s 38(1) which reads:

> 38 Infringement of a trade mark
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> (1) A registered trade mark is infringed by a person who, not being the registered proprietor of the trade mark or registered user of the trade mark using by way of permitted use, uses a mark which is identical with it or so nearly resembling it as is likely to deceive or cause confusion in the course of trade in relation to goods or services in respect of which the trade mark is registered in such a manner as to render the use of the mark likely to be taken as being use as a trade mark.

GIVING DUE WEIGHT TO DECISION OF REGISTRAR AND HIGH COURT

[38] The registrar's decision to allow the opposition had been made after hearing evidence, taking into account the respondent's mark. His decision entitled to substantial weight: *Solavoid Trade Mark* [1977] RPC 1 at p 28 per Lord Fraser of Tully Belton PC and applied in *Bata Ltd v Sim Ah Ba @ Sim Teng Khor & Ors* [2006] 6 MLJ 445, at p 462.

[39] Unless the registrar has gone clearly wrong, his decision ought not to be interfered with: *Banham v Reddaway* [1927] AC 406, at p 413 (HL). In this regard, I am of the view that the registrar had not 'gone clearly wrong'. Hence, the learned judge had correctly refrained from interfering with the registrar's decision in allowing the opposition with costs.

CONCLUSION

[40] The learned judge's decision in affirming the registrar's decision is justified on the facts and circumstances established in the evidence. The decision of the learned judge does not warrant interference. The appellant's appeal is dismissed with costs. Decision of the High Court is affirmed.

Appeal allowed with costs.

Reported by Kohila Nesan